

A-Engrossed House Bill 3254

Ordered by the House May 16
Including House Amendments dated May 16

Sponsored by Representative BYNUM (at the request of Oregon Business Council)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Establishes Semiconductor Talent Sustaining Fund and subaccounts of fund. Requires Higher Education Coordinating Commission to allocate moneys from fund and subaccounts to provide education, training and research to assist semiconductor industry.

Requires [*Higher Education Coordinating*] commission to establish statewide semiconductor industry [*consortium*] **advisory committee** for purpose of [*building robust, strategic partnerships between semiconductor industry, institutions of education, workforce organizations and community-based organizations. Requires consortium to develop comprehensive educational curriculum framework to provide students with skills needed for employment in semiconductor industry.*] **developing comprehensive statewide strategy to guide investments and build educational pathways and research capacity for semiconductor industry and to make recommendations to commission on how best to allocate moneys in Semiconductor Talent Sustaining Fund and subaccounts.**

Requires advisory committee to submit report to Legislative Assembly every two years detailing progress and investments made to improve semiconductor education and research.

Requires commission to award series of grants to identified entities.

Sunsets Semiconductor Talent Sustaining Fund and subaccounts on June 30, 2027.

[*Requires commission to appoint panel led by representatives of semiconductor industry to inform commission on what programs have been established at institutions of education to implement curriculum framework. Requires commission to use information when allocating moneys to promote semiconductor education.*]

[*Requires commission and industry panel to develop method for providing financial rewards to institutions of education that produce graduates with academic degrees that lead to employment in semiconductor industry.*]

Appropriates moneys to commission for [*purpose of establishing education curriculum framework, industry consortium and new academic programs.*] **deposit into Semiconductor Talent Sustaining Fund and subaccounts and for purpose of awarding required grants.**

Declares emergency, effective July 1, 2023.

A BILL FOR AN ACT

Relating to semiconductors; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) **The Higher Education Coordinating Commission shall establish a statewide semiconductor industry advisory committee that is composed of representatives from the semiconductor industry, educational institutions, workforce organizations and community-based organizations.**

(2) The advisory committee established under subsection (1) of this section shall:

(a) Develop a comprehensive statewide strategy to guide investments and build educational pathways and research capacity for the semiconductor industry in a manner that:

(A) Creates employment opportunities;

(B) Advances a more diverse workforce; and

(C) Improves the productivity of the semiconductor industry; and

(b) Make recommendations to the commission on how best to allocate moneys deposited

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 into the Semiconductor Talent Sustaining Fund established in section 2 of this 2023 Act and
2 the subaccounts of the fund. These recommendations must include:

3 (A) Criteria and measurements for the commission to use when allocating moneys; and

4 (B) Recommendations for future funding requests that the commission should make to
5 the Legislative Assembly.

6 (3)(a) The commission shall allocate moneys from the Semiconductor Talent Sustaining
7 Fund established in section 2 of this 2023 Act, and the subaccounts of the fund, to provide
8 education, training and research to assist the semiconductor industry in:

9 (A) Propelling industry innovation and productivity; and

10 (B) Providing rewarding careers to residents of this state who receive technical certif-
11 icates, technical degrees, associate degrees, bachelor's degrees and graduate-level degrees in
12 fields related to semiconductors.

13 (b) When making allocations under this subsection, the commission must consider the
14 recommendations made by the advisory committee under subsection (2)(b) of this section.
15 If the commission elects not to follow one or more recommendations made by the advisory
16 committee, the commission shall submit a written explanation for its decision to the advisory
17 committee.

18 (4) No later than January 2, 2025, and at least once every two years thereafter, the ad-
19 visory committee shall submit a report in the manner provided by ORS 192.245 to the interim
20 committees of the Legislative Assembly related to business and labor, detailing the progress
21 and investments made to improve semiconductor education and research under this section.

22 **SECTION 2.** (1) The Semiconductor Talent Sustaining Fund is established in the State
23 Treasury, separate and distinct from the General Fund. Interest earned by the Semiconduc-
24 tor Talent Sustaining Fund shall be credited to the fund.

25 (2) Moneys in the Semiconductor Talent Sustaining Fund shall consist of:

26 (a) Amounts donated to the fund from individuals, private organizations and state or
27 federal governmental entities;

28 (b) Amounts appropriated or otherwise transferred to the fund by the Legislative As-
29 sembly; and

30 (c) Interest earned by the fund.

31 (3) Moneys in the fund are continuously appropriated to the Higher Education Coordi-
32 nating Commission for the purposes of supporting the semiconductor industry in the manner
33 described in section 1 (3) of this 2023 Act.

34 **SECTION 3.** (1) There is established within the Semiconductor Talent Sustaining Fund
35 the STEM Education and Work-Based Learning Subaccount. Interest earned by the STEM
36 Education and Work-Based Learning Subaccount shall be credited to the subaccount.

37 (2) Moneys in the STEM Education and Work-Based Learning Subaccount shall consist
38 of:

39 (a) Amounts donated to the subaccount from individuals, private organizations and state
40 or federal governmental entities;

41 (b) Amounts appropriated or otherwise transferred to the subaccount by the Legislative
42 Assembly; and

43 (c) Interest earned by the subaccount.

44 (3) Moneys in the subaccount are continuously appropriated to the Higher Education
45 Coordinating Commission for the purposes of supporting the semiconductor industry in the

1 manner described in section 1 (3) of this 2023 Act, with a particular focus on expanding STEM
2 education and work-based learning, and increasing awareness of STEM career pathways, for
3 historically underrepresented youth and adults.

4 **SECTION 4.** (1) There is established within the Semiconductor Talent Sustaining Fund
5 the Workforce Training Subaccount. Interest earned by the Workforce Training Subaccount
6 shall be credited to the subaccount.

7 (2) Moneys in the Workforce Training Subaccount shall consist of:

8 (a) Amounts donated to the subaccount from individuals, private organizations and state
9 or federal governmental entities;

10 (b) Amounts appropriated or otherwise transferred to the subaccount by the Legislative
11 Assembly; and

12 (c) Interest earned by the subaccount.

13 (3) Moneys in the subaccount are continuously appropriated to the Higher Education
14 Coordinating Commission for the purposes of supporting the semiconductor industry in the
15 manner described in section 1 (3) of this 2023 Act, with a particular focus on building ca-
16 pacity and strengthening workforce training for the semiconductor industry at the
17 prebaccalaureate level.

18 **SECTION 5.** (1) There is established within the Semiconductor Talent Sustaining Fund
19 the Advanced Degree Workforce Training Subaccount. Interest earned by the Advanced De-
20 gree Workforce Training Subaccount shall be credited to the subaccount.

21 (2) Moneys in the Advanced Degree Workforce Training Subaccount shall consist of:

22 (a) Amounts donated to the subaccount from individuals, private organizations and state
23 or federal governmental entities;

24 (b) Amounts appropriated or otherwise transferred to the subaccount by the Legislative
25 Assembly; and

26 (c) Interest earned by the subaccount.

27 (3) Moneys in the subaccount are continuously appropriated to the Higher Education
28 Coordinating Commission for the purposes of supporting the semiconductor industry in the
29 manner described in section 1 (3) of this 2023 Act, with a particular focus on building ca-
30 pacity and strengthening workforce training for the semiconductor industry at the
31 baccalaureate, graduate and research level.

32 **SECTION 6.** The Higher Education Coordinating Commission shall award:

33 (1) A \$5 million grant to Micro Enterprise Services of Oregon for the purpose of providing
34 small business technical support and grant programs throughout this state with a focus on
35 supporting small and minority-owned businesses that are part of, or support, the semicon-
36 ductor industry;

37 (2) A \$2 million grant to Building Blocks 2 Success for the purpose of increasing
38 workforce development in the semiconductor industry, with a focus on enhancing:

39 (a) A STEM pipeline program for summer programming;

40 (b) College preparation for individuals who will major in STEM fields at historically Black
41 colleges and universities;

42 (c) Participation at STEM-based camps at Oregon State University;

43 (d) Wraparound supports for STEM interns; and

44 (e) Improving indicators of student success in semiconductor-related academic majors;

45 (3) A \$5 million grant to Portland Opportunities Industrialization Center for the purpose

1 of building a workforce and business development center that focuses on workforce oppor-
2 tunities created by an expanding semiconductor industry; and

3 (4) A \$1.2 million grant to Self Enhancement, Inc. for the purpose of establishing an
4 Underserved and Underrepresented Youth Cohort that will build a pipeline of diverse stu-
5 dents who are ready to gain employment in the newly expanded semiconductor industry fol-
6 lowing the students' graduation from high school or a post-secondary institution of
7 education.

8 **SECTION 7.** Sections 1 to 6 of this 2023 Act are repealed on June 30, 2027.

9 **SECTION 7a.** The Semiconductor Talent Sustaining Fund established under section 2 of
10 this 2023 Act, and all subaccounts of the fund, are abolished. Any moneys remaining in the
11 fund or subaccounts on the operative date specified in section 7b of this 2023 Act shall be
12 transferred to the General Fund for general government purposes.

13 **SECTION 7b.** Section 7a of this 2023 Act becomes operative on June 30, 2027.

14 **SECTION 8.** In addition to and not in lieu of any other appropriation, there is appropri-
15 ated to the Higher Education Coordinating Commission, for the biennium beginning July 1,
16 2023, out of the General Fund, the amount of \$_____, for the purpose of establishing the
17 advisory committee described in section 1 of this 2023 Act.

18 **SECTION 9.** In addition to and not in lieu of any other appropriation, there is appropri-
19 ated to the Higher Education Coordinating Commission, for deposit into the following sub-
20 accounts of the Semiconductor Talent Sustaining Fund, for the biennium beginning July 1,
21 2023, out of the General Fund, the following amounts:

22 (1) \$10,000,000 shall be deposited into the STEM Education and Work-Based Learning
23 Subaccount established in section 3 of this 2023 Act for the purposes described in section 3
24 of this 2023 Act;

25 (2) \$20,000,000 shall be deposited into the Workforce Training Subaccount established in
26 section 4 of this 2023 Act for the purposes described in section 4 of this 2023 Act; and

27 (3) \$30,000,000 shall be deposited into the Advanced Degree Workforce Training Subac-
28 count established in section 5 of this 2023 Act for the purposes described in section 5 of this
29 2023 Act.

30 **SECTION 10.** In addition to and not in lieu of any other appropriation, there is appro-
31 priated to the Higher Education Coordinating Commission, for deposit into the Semiconduc-
32 tor Talent Sustaining Fund, for the biennium beginning July 1, 2023, out of the General Fund,
33 the amount of \$_____, for the purposes described in section 1 (3) of this 2023 Act.

34 **SECTION 11.** In addition to and not in lieu of any other appropriation, there is appro-
35 priated to the Higher Education Coordinating Commission, for the biennium beginning July
36 1, 2023, out of the General Fund, the amount of \$13,200,000, for the purposes of awarding
37 grant moneys in the manner described in section 6 of this 2023 Act.

38 **SECTION 12.** This 2023 Act being necessary for the immediate preservation of the public
39 peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect
40 July 1, 2023.